



**FINANCIAL COMMISSION  
MEETING MINUTES**

---

**5:30 P.M., April 18, 2011  
Neutra House  
181 Hillview Avenue Los Altos, California**

---

**Call to Order**

The meeting was called to order at 5:32 P.M.

**Roll Call**

**Commission members present:** Chair Kevin Thompson, Vice Chair David Byrne, Al Hubbard, Donald Korn, Paul Van Buren, John Dixon

**Commission members absent:** Frank Emery, with prior notice

**Staff Present:** Russell Morreale, Staff Liaison

**Pledge of Allegiance**

Chair Thompson called for the Pledge to the Flag

**Public Comment**

None

**Consent Items:**

The minutes of both February 23, 2011 and March 29, 2011 were reviewed and unanimously approved with a motion from Commissioner Van Buren and a second from Vice Chair Byrne.

**Discussion**

1. **Investment Portfolio Update**

Liaison Morreale introduced PFM representative Carlos Oblites to provide a discussion and overview of the status of the City's investment portfolio. Mr. Oblites presented the overall portfolio mix and relative yield highlighting the most current purchases made leading to an investment par value, excluding LAIF, of \$15.4 million. Since the prior reporting an additional \$3.75 million has been invested up through calendar 2013. Mr. Oblites reported a market value of \$15.7 million placing the City in a positive posture with investments marked to market. Liaison Morreale advised that as of the date of this meeting the City portfolio mix consisted of 66% in LAIF, 13% in US Treasuries, 15% in US Agencies with the balance of 7% in high grade corporate notes. The Commission had a general discussion of duration and yields in the discussion.

2. Follow Up On Joint City Council Meeting

Chair Thompson provided an update of the joint meeting with City Council summarizing the key conclusion that the debt capacity project was set as the top priority project.

3. Debt Capacity Project

Liaison Morreale provided detailed review of a possible analysis model and entertained questions and comments from the group. In the context of this discussion, Chair Thompson asked the group to consider the formation of a sub-committee in order to expedite small group interim meetings as a basis for pushing the project ahead. All members generally agreed. Chair Thompson motioned a sub-committee of members – John Dixon – David Byrne – Kevin Thompson. Chair Hubbard seconded the motion and all agreed unanimously.

**Commission Reports:**

None

**Adjournment**

The meeting was adjourned per general agreement at approximately 6:50 P.M. per general concurrence.

Respectfully Submitted,

Russell J. Morreale  
Staff Liaison to the Financial Commission